



North Carolina Spirits Association

Legislative Report
May 21, 2021

After an unusual and early end to crossover, things have been strangely quiet. Only a handful of committees met with very short agendas. House and Senate leadership continue to discuss the state budget, in an attempt to arrive at a spending target amount, so the Senate can pass their version of the State budget. Legislative committees will likely begin to meet more frequently with longer agendas.

This week the Senate considered a bill that would pay recipients of unemployment benefits a bonus if they take a new job within the next two months. Sen. Chuck Edward (R-Henderson) said that businesses are facing a shortage of employees and the state needs to incentivize workers to return after a year of enhanced federal unemployment benefits. He introduced a new version of House Bill 129 — which previously dealt with high school sports — that would offer a \$1,500 payment to people on unemployment who take jobs within the next 30 days, with an \$800 payment for those who go back to work in the following 30 days. The state would need approval from the federal Department of Labor to redirect funding to the incentive program. Edwards' proposal would also reinstate the requirement that people receiving unemployment benefits must make three job-related contacts per week — a rule that was halted during the pandemic. Recipients would also be required to respond to employers' job interview requests within 48 hours and attend any interview within seven days. Edwards said that rule is needed because businesses say they are calling applicants for an interview and getting no response.

The House of Representatives proposes to spend \$750 million from the latest round of federal COVID-19 recovery money on expanding broadband infrastructure across the state. House Bill 947, which passed the House Appropriations Committee on Thursday, would exponentially increase the amount available in North Carolina to help subsidize private internet providers as they expand fiber networks in rural and underserved areas. About \$350 million of the amount will go to the existing GREAT grant program, which has awarded tens of millions of state dollars in recent years. The federal money, however, would include higher internet speed requirements than previous GREAT grants, so fixed wireless and satellite internet networks likely would not qualify. The other \$400 million in the bill would create a new program, largely overseen by county governments, known as Completing Access to Broadband ("CAB"), designed to help counties incentivize new broadband infrastructure in underserved areas that do not meet the qualifications for the GREAT grants or another federal grant program called the Rural Digital Opportunity Fund. The county would also contribute to the CAB grant amount, possibly using the federal funds it received directly. The bill is expected on the House floor next week.

The House and Senate adjourned on Thursday and will reconvene on Monday May 24.

For more information about legislation described in the legislative reports, feel free to contact me at dferrell@nexsenpruet.com or (919) 573-7421. Information is also available on the General Assembly's website: www.ncleg.gov.

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